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NEW TIMES ENERGY CORPORATION LIMITED

新時代能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00166)

PROFIT WARNING

This announcement is made by New Times Energy Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors (the “**Board**”) of the Company wishes to inform shareholders and potential investors of the Company that, based on a preliminary review of the Group’s unaudited consolidated management accounts for the financial year ended 31 December 2023 (“**FY2023**”) and other information currently available to the Board, the Group is expected to record an after-tax loss of not more than HK\$165 million for FY2023 as compared to an after-tax profit of approximately HK\$286 million for the same period last year.

The Group is expected to record a gain in adjusted EBITDA (Earnings before interest, taxes, depreciation, amortisation and impairment charge) of approximately HK\$167 million for FY2023, as compared to an adjusted EBITDA of approximately HK\$454 million for the same period last year.

The expected after-tax loss for FY2023 was mainly attributable to (i) a precipitous decline in natural gas commodity price and the extreme widespread of wildfire in Western Canada, forcing the suspension of natural gas production for approximately 2 months during FY2023, and resulting in a loss of revenue and an impairment charge of approximately HK\$120 million against the Group’s carrying value for natural gas assets in Canada; (ii) the Group’s inability to recognise a fair value gain associated with assets in Wapiti, Alberta, Canada (including, but not limited to, the areas in the Montney Formation the Group acquired in 2023) valued at approximately HK\$226 million due to compliance with relevant accounting standards; and (iii) a reduction in revenue and profit from operations in Argentina primarily due to the

* *For identification purposes only*

hyperinflation rate of approximately 211% per annum as well as the annual devaluation of the exchange rate of the Argentina peso against the US dollar by approximately 354% in FY2023. Lower Argentina domestic oil price in FY2023 had also adversely affected revenue of the Group's operations in Argentina.

The impairment charge of the Group's oil and gas assets is a non-cash item and does not have an impact on the Group's cash flow. Should there be changes in circumstances, such as a significant rebound of natural gas commodity prices, the Group may recognise a reversal of impairment loss in the future.

The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the Group's unaudited consolidated management accounts for FY2023 and other information currently available, which have not been reviewed by the Company's auditors and the audit committee of the Board and may be subject to change upon further review. Shareholders and potential investors of the Company are advised to refer to the details in the annual results announcement of the Company for FY2023, which is expected to be published on 25 March 2024.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
New Times Energy Corporation Limited
CHENG, Kam Chiu Stewart
Chairman

Hong Kong, 19 March 2024

At the date of this announcement, the Board comprises:

Executive Directors:

Mr. CHENG, Kam Chiu Stewart (*Chairman*)

Mr. TANG, John Wing Yan (*Chief Executive Officer*)

Non-executive Director:

Mr. LEE, Chi Hin Jacob

Independent Non-executive Directors:

Mr. YUNG, Chun Fai Dickie

Mr. CHIU, Wai On

Mr. HUANG, Victor